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ENDORSED FILED ALAMEDA COUNTY

JUN 0 7 2012

CLERK OF THE SUPERIOR COURT By ___ DOLORES J. SILVA

SUPERIOR COURT OF THE STATE OF CALIFORNIA

Case No. H G 1 2 6 3 3 5 7 5

COMPLAINT FOR CIVIL PENALTIES AND INJUNCTIVE RELIEF

(Cal. Health & Safety Code § 25249.6 et seq.)

NATURE OF THE ACTION

- 1. This Complaint is a representative action brought by plaintiff ANTHONY E. HELD, PH.D., P.E., in the public interest of the citizens of the State of California, to enforce the People's right to be informed of the presence of di(2-ethylhexyl)phthalate ("DEHP"), lead and/or lead compounds ("Lead"), di-n-butyl phthalate ("DBP"), cadmium and/or cadmium compounds ("Cadmium"), arsenic (inorganic arsenic compounds and inorganic oxides)("Arsenic"), and/or formaldehyde (gas)("Formaldehyde"), chemicals found in consumer products sold in California.
- 2. By this Complaint, plaintiff seeks to remedy defendants' continuing failures to warn California citizens about their exposure to DEHP, Lead, DBP, Cadmium, Arsenic, and/or Formaldehyde, present in or on certain Halloween costumes, Halloween costume accessories (including wigs, masks, gloves, footwear, belts, bags, hats, costume props, hosiery, and weapons and jewelry intended to accessorize a costume (excluding makeup)), and Halloween indoor and outdoor home décor and games (including Halloween candy bowls, lawn, wall, door and table ornaments and lights, decorative spiders/webs, lighting, ghosts, witches, goblins, skeletons, bats, cats and tombstones), that defendants manufacture, import, distribute and/or offer for sale to consumers throughout the State of California.
- 3. Under California's Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code § 25249.6 et seq. ("Proposition 65"), "No person in the course of doing business shall knowingly and intentionally expose any individual to a chemical known to the state to cause cancer or reproductive toxicity without first giving clear and reasonable warning to such individual. . . ." (Cal. Health & Safety Code § 25249.6.)
- 4. On February 27, 1987, California identified and listed lead as a chemical known to cause birth defects and other reproductive harm. Lead became subject to the warning requirement one year later and was therefore subject to the "clear and reasonable warning" requirements of Proposition 65, beginning on February 27, 1988. (Title 27 of the California Code of Regulation ("CCR") § 27001 (c); Cal. Health & Safety Code § 25249.8. & 25249.10(b).)

27 of the California Code of Regulation ("CCR") § 27001 (c); Cal. Health & Safety Code § 25249.8. & 25249.10(b).)

6. On October 1, 1987, California identified and listed cadmium and cadmium compounds as a chemical known to cause cancer. Cadmium and cadmium compounds became subject to the warning requirement one year later and were therefore subject to the "clear and"

compounds) as a chemical known to cause cancer. Arsenic (inorganic arsenic compounds)

became subject to the warning requirement one year later and was therefore subject to the "clear

and reasonable warning" requirements of Proposition 65, beginning on February 27, 1988. (Title

On February 27, 1987, California identified and listed arsenic (inorganic arsenic

the California Code of Regulation ("CCR") § 27001 (c); Cal. Health & Safety Code § 25249.8.

reasonable warning" requirements of Proposition 65, beginning on October 1, 1988. (Title 27 of

& 25249.10(b).)

5.

- 7. On January 1, 1988, California identified and listed formaldehyde (gas) as a chemical known to cause cancer. Formaldehyde became subject to the warning requirement one year later and was therefore subject to the "clear and reasonable warning" requirements of Proposition 65, beginning on January 1, 1989. (Title 27 of the California Code of Regulation ("CCR") § 27001 (c); Cal. Health & Safety Code § 25249.8. & 25249.10(b).)
- 8. On October 1, 1992, California identified and listed lead and lead compounds as chemicals known to cause cancer. Lead and lead compounds became subject to the warning requirement one year later and were therefore subject to the "clear and reasonable warning" requirements of Proposition 65, beginning on October 1, 1993. (Title 27 of the California Code of Regulation ("CCR") § 27001 (c); Cal. Health & Safety Code § 25249.8. & 25249.10(b).)
- 9. On May 1, 1997, California identified and listed cadmium as a chemical known to cause birth defects and other reproductive harm. Cadmium became subject to the warning requirement one year later and was, therefore, subject to the "clear and reasonable warning" requirements of Proposition 65, beginning on May 1, 1998. (27 CCR § 27001 (c); Cal. Health & Safety Code §§ 25249.8 & 25249.10(b).)

- 10. On May 1, 1997, California identified and listed arsenic (inorganic oxides) as a chemical known to cause birth defects and reproductive harm. Arsenic (inorganic oxides) became subject to the warning requirement one year later and was therefore subject to the "clear and reasonable warning" requirements of Proposition 65, beginning on May 1, 1998. (Title 27 of the California Code of Regulation ("CCR") § 27001 (c); Cal. Health & Safety Code § 25249.8. & 25249.10(b).)
- 11. On October 23, 2003, California identified and listed DEHP as a chemical known to cause birth defects and other reproductive harm. DEHP became subject to the warning requirement one year later and was, therefore, subject to the "clear and reasonable warning" requirements of Proposition 65, beginning on October 23, 2004. (27 CCR § 27001 (c); Cal. Health & Safety Code § 25249.8. & 25249.10(b).)
- 12. On December 2, 2005, California identified and listed DBP as a chemical known to cause birth defects and other reproductive harm. DBP became subject to the warning requirement one year later and was, therefore, subject to the "clear and reasonable warning" requirements of Proposition 65, beginning on December 2, 2006. (27 CCR § 27001 (c); Cal. Health & Safety Code §§ 25249.8 & 25249.10(b).)
- 13. Defendants manufacture, import, distribute, and/or sell Halloween costumes, Halloween costume accessories, and Halloween indoor and outdoor home décor and games, containing DEHP, Lead, DBP, Cadmium, Arsenic, and/or Formaldehyde, as follows:
 - a. Defendant ALMAR SALES CO., INC. manufactures, imports, distributes, and/or sells Halloween costume accessories containing DEHP including, but not limited to *Fierce & Fabulous Studded Gloves, PCG181, YC-1106-4469 (#0 24576 86632 7)*;
 - b. Defendant AMSCAN HOLDINGS, INC. manufactures, imports,
 distributes, and/or sells Halloween costume accessories containing DEHP
 including, but not limited to, Deluxe Pirate Boot Tops, #7280 (#757565 127122);

<i>c</i> .	Defendant EASTER UNLIMITED, INC. manufactures, imports,
distributes, and	or sells Halloween costumes containing DEHP including, but not
limited to, Spir	it Meter's Running Adult Costume, #01023142 and Spirit Sexy
Scottie Adult C	ostume, Item No. 120614M, #09060CGP35, #01022953;

- d. Defendant EVERSTAR, US manufactures, imports, distributes, and/or sells Halloween home décor containing DEHP including, but not limited to, 70-count Light Set, #65-343A (#7 64878 65343 9);
- e. Defendant FORUM NOVELTIES, INC. manufactures, imports, distributes, and/or sells Halloween costumes, Halloween costume accessories, and Halloween indoor and outdoor décor containing DEHP, Lead, DBP, Cadmium, Arsenic, and/or Formaldehyde;
- f. Defendant LEG AVENUE INC. manufactures, imports, distributes, and/or sells Halloween costumes containing DEHP including, but not limited to, Leg Avenue Officer Bombshell 4PC. Costume, Style: 83619 and Halloween costume accessories containing DEHP including, but not limited to, Leg Avenue Gangster Double Gun Zipper Holster, Style A1917 (#7 14718 43640 1);
- g. Defendant LOVIN' ENTERPRISES, INC. manufactures, imports, distributes, and/or sells Halloween costumes containing DEHP including, but not limited to, *Dreamgirl "The Dirty Double" Costume, Style No. 5868X (#8 76802 08124 6)*;
- h. Defendant MORBID ENTERPRISES, LLC manufactures, imports, distributes, and/or sells Halloween costumes, Halloween costume accessories, and Halloween indoor and outdoor décor containing DEHP, Lead, DBP, Cadmium, Arsenic, and/or Formaldehyde;
- i. Defendant PAPER MAGIC GROUP, INC. manufactures, imports, distributes, and/or sells Halloween games containing DEHP including, but not limited to, *Spider Ring Toss*, #6529180 (#0 37693 02032 9); and

j.	Defendant RG COSTUMES & ACCESSORIES, INC
manufactur	res, imports, distributes, and/or sells Halloween costume accessories
containing	DEHP including, but not limited to, Santa's Belt, Item No. 82111 (#6
54225 821	<i>II 7</i>).

- 14. All Halloween costumes, Halloween costume accessories, and Halloween indoor and outdoor home décor and games, containing DEHP, Lead, DBP, Cadmium, Arsenic, and/or Formaldehyde, as listed above in paragraphs 13(a) through (j) above, shall hereinafter be referred to as the "PRODUCTS." As to each specific defendant, however, Products shall refer only to those specific products listed for each specific defendant in paragraphs 13(a) through (j) above.
- 15. DEHP, Lead, DBP, Cadmium, Arsenic, and Formaldehyde shall collectively hereinafter be referred to as the "Listed Chemicals." As to each specific defendant, however, Listed Chemicals shall refer only to the specific chemical(s) listed for each specific defendant in paragraphs 13(a) through (j) above.
- 16. Defendants' failure to warn adequately, if at all, a variety of California consumers, businesses, employees, and other persons not covered by California's Occupational Safety Health Act, Labor Code section 6300 *et seq.*, in the State of California about their exposure to the Listed Chemicals in conjunction with defendants' distribution, importation, manufacturing, and sale of the PRODUCTS is a violation of Proposition 65 and subjects defendants to enjoinment of such conduct as well as civil penalties for each violation.
- 17. For defendants' violations of Proposition 65, plaintiff seeks preliminary injunctive and permanent injunctive relief to compel defendants to provide purchasers or users of the PRODUCTS with the required warning regarding the health hazards of the Listed Chemicals. (Cal. Health & Safety Code § 25249.7(a).)
- 18. Plaintiff also seeks civil penalties against defendants for their violations of Proposition 65, as provided for by California Health & Safety Code § 25249.7(b).

PARTIES

- 19. Plaintiff ANTHONY E. HELD, PH.D., P.E. is a citizen of the State of California who is dedicated to protecting the health of California citizens through the elimination or reduction of toxic exposures from consumer and commercial products, and brings this action in the public interest pursuant to California Health & Safety Code § 25249.7.
- 20. Defendant ALMAR SALES CO., INC. ("ALMAR") is a person doing business within the meaning of California Health & Safety Code § 25249.11.
- 21. Defendant ALMAR manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California or implies by its conduct that it manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California.
- 22. Defendant AMSCAN HOLDINGS, INC. ("AMSCAN") is a person doing business within the meaning of California Health & Safety Code § 25249.11.
- 23. Defendant AMSCAN manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California or implies by its conduct that it manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California.
- 24. Defendant EASTER UNLIMITED, INC. ("EASTER") is a person doing business within the meaning of California Health & Safety Code § 25249.11.
- 25. Defendant EASTER manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California or implies by its conduct that it manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California.
- 26. Defendant EVERSTAR, US ("EVERSTAR") is a person doing business within the meaning of California Health & Safety Code § 25249.11.
- 27. Defendant EVERSTAR manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California or implies by its conduct that it

manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California.

- 28. Defendant FORUM NOVELTIES, INC. ("FORUM") is a person doing business within the meaning of California Health & Safety Code § 25249.11.
- 29. Defendant FORUM manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California or implies by its conduct that it manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California.
- 30. Defendant LEG AVENUE INC. ("LEG") is a person doing business within the meaning of California Health & Safety Code § 25249.11.
- 31. Defendant LEG manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California or implies by its conduct that it manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California.
- 32. Defendant LOVIN' ENTERPRISES, INC. ("LOVIN") is a person doing business within the meaning of California Health & Safety Code § 25249.11.
- 33. Defendant LOVIN' manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California or implies by its conduct that it manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California.
- 34. Defendant MORBID ENTERPRISES, LLC ("MORBID") is a person doing business within the meaning of California Health & Safety Code § 25249.11.
- 35. Defendant MORBID manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California or implies by its conduct that it manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California.
- 36. Defendant PAPER MAGIC GROUP, INC. ("PAPER") is a person doing business within the meaning of California Health & Safety Code § 25249.11.

- 37. Defendant PAPER manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California or implies by its conduct that it manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California.
- 38. Defendant RG COSTUMES & ACCESSORIES, INC. ("RG COSTUMES") is a person doing business within the meaning of California Health & Safety Code § 25249.11.
- 39. Defendant RG COSTUMES manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California or implies by its conduct that it manufactures, imports, distributes, and/or offers the PRODUCTS for sale or use in the State of California.
- 40. Defendants DOES 1-50 ("MANUFACTURER DEFENDANTS") are each persons doing business within the meaning of California Health & Safety Code § 25249.11.
- 41. MANUFACTURER DEFENDANTS engage in the process of research, testing, designing, assembling, fabricating and/or manufacturing, or imply by their conduct that they engage in the process of research, testing, designing, assembling, fabricating and/or manufacturing.
- 42. Defendants DOES 51-100 ("DISTRIBUTOR DEFENDANTS") are each persons doing business within the meaning of California Health & Safety Code § 25249.11.
- 43. DISTRIBUTOR DEFENDANTS distribute, exchange, transfer, process and/or transport one or more of the PRODUCTS to individuals, businesses or retailers for sale or use in the State of California.
- 44. Defendants DOES 101-150 ("RETAIL DEFENDANTS") are each persons doing business within the meaning of California Health & Safety Code § 25249.11.
- 45. RETAIL DEFENDANTS offer the PRODUCTS for sale to individuals in the State of California and, in some circumstances, may also be manufacturers and/or distributors.

4	16.	At this time, the true names of Defendants DOES 1 through 150, inclusive, are	
unknow	n to p	laintiff, who therefore sues said defendants by their fictitious name pursuant to	
Code of Civil Procedure § 474. Plaintiff is informed and believes, and on that basis alleges, that			
each of the fictitiously named defendants is responsible for the acts and occurrences herein			
alleged.	Whe	n ascertained, their true names shall be reflected in an amended complaint.	6)

47. ALMAR, AMSCAN, EASTER, EVERSTAR, FORUM, LEG, LOVIN', MORBID, PAPER, RG COSTUMES, MANUFACTURER DEFENDANTS, DISTRIBUTOR DEFENDANTS, and RETAIL DEFENDANTS shall, where appropriate, collectively be referred to hereinafter as "DEFENDANTS."

VENUE AND JURISDICTION

- 48. Venue is proper in the Alameda County Superior Court, pursuant to Code of Civil Procedure §§ 394, 395, 395.5, because this Court is a court of competent jurisdiction, because one or more instances of wrongful conduct occurred, and continues to occur, in the County of Alameda and/or because DEFENDANTS conducted, and continue to conduct, business in this County with respect to the PRODUCTS.
- 49. The California Superior Court has jurisdiction over this action pursuant to California Constitution Article VI, § 10, which grants the Superior Court "original jurisdiction in all causes except those given by statute to other trial courts." The statute under which this action is brought does not specify any other basis of subject matter jurisdiction.
- 50. The California Superior Court has jurisdiction over DEFENDANTS based on plaintiff's information and good faith belief that each defendant is a person, firm, corporation or association that either are citizens of the State of California, have sufficient minimum contacts in the State of California, or otherwise purposefully avail themselves of the California market.

 DEFENDANTS' purposeful availment renders the exercise of personal jurisdiction by California courts consistent with traditional notions of fair play and substantial justice.

FIRST CAUSE OF ACTION

(Violation of Proposition 65 - Against All Defendants)

- 51. Plaintiff realleges and incorporates by reference, as if fully set forth herein, Paragraphs 1 through 50, inclusive.
- 52. The citizens of the State of California have expressly stated in the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code § 25249.5, et seq. ("Proposition 65") that they must be informed "about exposures to chemicals that cause cancer, birth defects and other reproductive harm." (Cal. Health & Safely Code § 25249.6.)
- 53. Proposition 65 states, "[n]o person in the course of doing business shall knowingly and intentionally expose any individual to a chemical known to the state to cause cancer or reproductive toxicity without first giving clear and reasonable warning to such individual...."

 (Id.)
- 54. On or about October 28, 2011, sixty-day notices of violation, together with the requisite certificates of merit, were provided to FORUM, MORBID, and various public enforcement agencies stating that as a result of their sales of the PRODUCTS, purchasers and users in the State of California were being exposed to DEHP, Lead, DBP, Cadmium, Arsenic, and/or Formaldehyde resulting from the reasonably foreseeable uses of the PRODUCTS, without the individual purchasers and users first having been provided with a "clear and reasonable warning" regarding such toxic exposures.
- 55. On or about December 13, 2011, sixty-day notices of violation, together with the requisite certificates of merit, was provided to EASTER, LEG, LOVIN', RG COSTUMES, and various public enforcement agencies stating that as a result of their sales of the PRODUCTS, purchasers and users in the State of California were being exposed to DEHP resulting from the reasonably foreseeable uses of the PRODUCTS, without the individual purchasers and users first having been provided with a "clear and reasonable warning" regarding such toxic exposures.
- 56. On or about January 11, 2012, a sixty-day notice of violation, together with the requisite certificate of merit, was provided to PAPER and various public enforcement agencies

stating that as a result of PAPER's sales of the PRODUCTS, purchasers and users in the State of California were being exposed to DEHP resulting from the reasonably foreseeable uses of the PRODUCTS, without the individual purchasers and users first having been provided with a "clear and reasonable warning" regarding such toxic exposures.

- 57. On or about January 31, 2012, a sixty-day notice of violation, together with the requisite certificate of merit, was provided to AMSCAN and various public enforcement agencies stating that as a result of AMSCAN's sales of the PRODUCTS, purchasers and users in the State of California were being exposed to DEHP resulting from the reasonably foreseeable uses of the PRODUCTS, without the individual purchasers and users first having been provided with a "clear and reasonable warning" regarding such toxic exposures.
- 58. On or about February 28, 2012, a sixty-day notice of violation, together with the requisite certificate of merit, was provided to EVERSTAR and various public enforcement agencies stating that as a result of EVERSTAR's sales of the PRODUCTS, purchasers and users in the State of California were being exposed to DEHP resulting from the reasonably foreseeable uses of the PRODUCTS, without the individual purchasers and users first having been provided with a "clear and reasonable warning" regarding such toxic exposures.
- 59. On or about March 8, 2012, a sixty-day notice of violation, together with the requisite certificate of merit, was provided to ALMAR and various public enforcement agencies stating that as a result of ALMAR's sales of the PRODUCTS, purchasers and users in the State of California were being exposed to DEHP resulting from the reasonably foreseeable uses of the PRODUCTS, without the individual purchasers and users first having been provided with a "clear and reasonable warning" regarding such toxic exposures.
- 60. DEFENDANTS have engaged in the manufacture, distribution and/or offering of the PRODUCTS for sale or use in violation of California Health & Safety Code § 25249.6 and DEFENDANTS' manufacture, distribution and/or offering of the PRODUCTS for sale or use in violation of California Health & Safety Code § 25249.6 has continued to occur beyond

DEFENDANTS' receipt of plaintiff's sixty-day notice of violation. Plaintiff further alleges and believes that such violations will continue to occur into the future.

- 61. After receipt of the claims asserted in the above-referenced sixty-day notices of violation (paragraphs 54 through 59), the appropriate public enforcement agencies have failed to commence and diligently prosecute a cause of action against DEFENDANTS under Proposition 65.
- 62. The PRODUCTS manufactured, imported, distributed, and/or offered for sale or use in California by DEFENDANTS contained the Listed Chemicals above the allowable state limits.
- 63. DEFENDANTS knew or should have known that the PRODUCTS manufactured, imported, distributed, and/or offered for sale or use by DEFENDANTS in California contained the Listed Chemicals.
- 64. The Listed Chemicals were present in or on the PRODUCTS in such a way as to expose individuals to the Listed Chemicals through dermal contact, ingestion and/or inhalation during the reasonably foreseeable use of the PRODUCTS.
- 65. The normal and reasonably foreseeable use of the PRODUCTS has caused and continues to cause consumer and workplace exposures to the Listed Chemicals, as such exposure is defined by 27 California Code of Regulations ("CCR") § 25602(b).
- 66. DEFENDANTS had knowledge that the normal and reasonably foreseeable use of the PRODUCTS would expose individuals to the Listed Chemicals through dermal contact, ingestion and/or inhalation.
- 67. DEFENDANTS intended that such exposures to the Listed Chemicals from the reasonably foreseeable use of the PRODUCTS would occur by their deliberate, non-accidental participation in the manufacture, importation, distribution and/or offer for sale or use of PRODUCTS to individuals in the State of California.
- 68. DEFENDANTS failed to provide a "clear and reasonable warning" to those consumers and/or other individuals in the State of California who were or who could become

exposed to the Listed Chemicals through dermal contact, ingestion and/or inhalation during the reasonably foreseeable use of the PRODUCTS.

- 69. Contrary to the express policy and statutory prohibition of Proposition 65, enacted directly by California voters, individuals exposed to the Listed Chemicals through dermal contact, ingestion and/or inhalation resulting from the reasonably foreseeable use of the PRODUCTS, sold by DEFENDANTS without a "clear and reasonable warning," have suffered, and continue to suffer, irreparable harm, for which harm they have no plain, speedy or adequate remedy at law.
- 70. As a consequence of the above-described acts, DEFENDANTS are each liable for a maximum civil penalty of \$2,500 per day for each violation pursuant to California Health & Safety Code § 25249.7(b).
- 71. As a consequence of the above-described acts, California Health & Safety Code § 25249.7(a) also specifically authorizes the Court to grant injunctive relief against DEFENDANTS.

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PRAYER FOR RELIEF

Wherefore, plaintiff prays for judgment against DEFENDANTS as follows:

- 1. That the Court, pursuant to California Health & Safety Code § 25249.7(b), assess civil penalties against DEFENDANTS in the amount of \$2,500 per day for each violation alleged herein;
- 2. That the Court, pursuant to California Health & Safety Code § 25249.7(a), preliminarily and permanently enjoin DEFENDANTS from manufacturing, distributing or offering the PRODUCTS for sale or use in California, without providing "clear and reasonable warnings" as defined by 27 CCR § 25601, as to the harms associated with exposures to the Listed Chemicals;
 - 3. That the Court grant plaintiff his reasonable attorneys' fees and costs of suit; and
 - 4. That the Court grant such other and further relief as may be just and proper.

Dated: June 6, 2012 Respectfully Submitted,

THE CHANLER GROUP

Josh Voorhees

Attorneys for Plaintiff

ANTHÓNY E. HELD, PH.D., P.E.,